



4334-63

DEPARTMENT OF THE INTERIOR

Office of the Secretary

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Privacy Act of 1974, as amended; Notice to Amend an Existing System of Records

AGENCY: Office of the Secretary, Interior.

ACTION: Notice of an amendment to an existing system of records.

SUMMARY: Pursuant to the provisions of the Privacy Act of 1974, as amended, the Department of the Interior is issuing a public notice of its intent to amend the Privacy Act system of records, “Mineral Lease and Royalty Accounting Files – Interior, MMS-1”, to update the system name, system location, categories of individuals covered by the system, categories of records in the system, authority for maintenance of the system, routine uses, storage, safeguards, retention and disposal, system manager and address, notification procedures, records access and contesting procedures, and records source categories. The system name will be updated to “Minerals Revenue Management Support System (MRMSS), OS-30” to reflect new organizational management. The purpose of the system is to facilitate billing, accounts receivable, general ledger, compliance management, and collection of revenues.

DATES: Comments must be received by [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. The amendments to the system will be effective [INSERT DATE 30 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Any person interested in commenting on this notice may do so by:

submitting comments in writing to Teri Barnett, Departmental Privacy Officer, U.S. Department of the Interior, 1849 C Street NW, Mail Stop 5547 MIB, Washington, DC 20240; hand-delivering comments to Teri Barnett, Departmental Privacy Officer, U.S. Department of the Interior, 1849 C Street NW, Mail Stop 5547 MIB, Washington, DC 20240; or e-mailing comments to *Privacy@ios.doi.gov*.

FOR FURTHER INFORMATION CONTACT: Minerals Revenue Management Support System Program Manager, Information Management Center (IMC), Office of Natural Resources Revenue, U.S. Department of the Interior, PO Box 25165, Lakewood, CO 80225, or by telephone at 303-231-3177.

SUPPLEMENTARY INFORMATION:

I. Background

The Department of the Interior (DOI) Office of Natural Resources Revenue (ONRR), within the Office of the Secretary, is responsible for the management of revenue associated with both Federal offshore and onshore mineral leases, and revenue management services for mineral leases on Indian lands in partnership with the Bureau of Indian Affairs. ONRR maintains the “Mineral Lease and Royalty Accounting Files – Interior, MMS-1,” system of records to manage these responsibilities in support of ONRR’s mission to collect, disburse, and verify Federal and Indian energy and other natural resource revenues on behalf of Americans. Due to the restructuring of the Minerals Management Service and ONRR within the Office of the Secretary, DOI is proposing to revise the system name to “Minerals Revenue Management Support System (MRMSS), OS-30” to reflect the new organizational management. Other proposed amendments to the system include updating the system location, categories of individuals

covered by the system, categories of records in the system, authority for maintenance of the system, routine uses, storage, safeguards, retention and disposal, system manager and address, notification procedures, record access and contesting record procedures, and records source categories. The Mineral Lease and Royalty Accounting Files — Interior, MMS-1 system notice was last published in the Federal Register on March 17, 1986 (51 FR 9121).

The MRMSS system facilitates mineral lease revenue management including billing, accounts receivable, rents, royalty payments, general ledger activity, compliance management, reporting, and the collection of revenues. The system also supports ONRR Outreach program activities for Indian mineral owners, to foster communication and enhance ONRR's trust responsibilities, and resolve royalty-related problems in partnership with the Bureau of Indian Affairs, Bureau of Land Management, and Office of the Special Trustee for American Indians. The MRMSS system helps ONRR meet its fiduciary responsibilities to manage revenues from energy and mineral leases for the use of public natural resources. The records in the MRMSS are related to both business entities and individuals, though records concerning corporations and other business entities are not subject to the Privacy Act.

The amendments to the system notice will be effective as proposed at the end of the comment period (the comment period will end 30 days after the publication of this notice in the Federal Register), unless comments are received which would require a contrary determination. DOI will publish a revised notice if changes are made based upon a review of the comments received.

II. Privacy Act

The Privacy Act of 1974, as amended (5 U.S.C. 552a), embodies fair information practice principles in a statutory framework governing the means by which Federal agencies collect, maintain, use, and disseminate individuals' personal information. The Privacy Act applies to records about individuals that are maintained in a "system of records." A "system of records" is a group of any records under the control of an agency for which information about an individual is retrieved by the name or by some identifying number, symbol, or other identifier assigned to the individual. The Privacy Act defines an individual as a U.S. citizen or lawful permanent resident. As a matter of policy, DOI extends administrative Privacy Act protections to all individuals. Individuals may request access to their own records that are maintained in a system of records in the possession or under the control of DOI by complying with DOI Privacy Act regulations at 43 CFR Part 2, subpart K.

The Privacy Act requires each agency to publish in the Federal Register a description denoting the type and character of each system of records that the agency maintains, the routine uses of each system to make agency record keeping practices transparent, to notify individuals regarding the uses of their records, and to assist individuals to more easily find such records within the agency. The amended Minerals Revenue Management Support System (MRMSS), OS-30 system of records notice is published in its entirety below.

In accordance with 5 U.S.C. 552a(r), DOI has provided a report of this system of records to the Office of Management and Budget and to Congress.

III. Public Disclosure

Before including your address, phone number, e-mail address, or other personal

identifying information in your comment, you should be aware that your entire comment, including your personal identifying information, may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

Dated: March 22, 2016.

Teri Barnett
Departmental Privacy Officer

SYSTEM NAME:

Minerals Revenue Management Support System (MRMSS), OS-30.

SYSTEM CLASSIFICATION:

Unclassified.

SYSTEM LOCATION:

Records in this system are located at the Office of Natural Resources Revenue Center, Denver Federal Center, P.O. Box 25165, MS6055A, Denver, Colorado 80225, and at Office of Natural Resources Revenue contractor facilities that process electronic Minerals Revenue Management Support System records.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals covered by the system include lease and permit holders, current and former landowners and lessees, royalty payors and production operators, individuals who have reported rents, royalties, and bonuses from oil or other minerals or gas from producing or nonproducing Federal or Indian leases, current and former Federal

employees and contractors, state and local government employees, and Tribal government officials. The system also contains records concerning corporations and other business entities that are not subject to the Privacy Act. However, records pertaining to individuals acting on behalf of corporations and other business entities may reflect personal information.

CATEGORIES OF RECORDS IN THE SYSTEM:

This system contains records relating to the general administration of the MRMSS, and records relating to minerals revenue asset management, compliance management, and financial management. These records are related to business entities and individuals and includes leases, permits, correspondence, forms, disbursements, reports, and other documents which may contain first and last names, addresses, telephone numbers, fax numbers, email addresses, other contact information, lease numbers, revenues collected, outreach information of individual Indian owners, dates due, customer identification number, owner identification number, location of land, type of lease, lessee and/or payor information, allottee production volume, commodity, reported revenues, sales value, royalty amounts, tax identification number, rate billed, amount charged, interest and penalty, collection actions, bank account number, check number, amount paid, contract number, agreement number, allotment number, well number, and other information that may be generated or maintained during the processing and administration of minerals revenue management responsibilities. The records concerning corporations and other business entities are compliance activities and are not subject to the Privacy Act. However, records pertaining to individuals acting on behalf of corporations and other business entities may reflect personal information.

ONRR Outreach program activities include phone calls, email, and correspondence, as well as meetings with individual Indian owners that have ownership in revenues that come from mineral leases. These records may include first and last name, email address, phone number, individual owner identification, allocated ownership percentage, estimated revenues from leases, and other information that may be contained in correspondence with or requests from individuals generated through outreach activities to support and provide a response to customer inquiries.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

The Federal Oil and Gas Royalty Management Act of 1982, 30 U.S.C. §§ 1701-1759; Chapter 12 of Title 25 of the U.S. Code, addressing the lease, sale, or surrender of allotted or unallotted lands, found at 25 U.S.C. §§ 391-416j; Chapter 3A of Title 30 of the U.S. Code, addressing leases and prospecting permits, found at 30 U.S.C. §§ 181-196; and the Outer Continental Shelf Lands Act, 43 U.S.C. 1331-1356b.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The purposes of the system are to collect royalties and rents; control revenues; distribute funds collected; maintain records of royalty accounts and associated sales and production information; provide data to facilitate comparative auditing of mineral production, royalties due, revenues collected, and funds distributed; gather statistics for managing the mineral leasing program; provide informational access to external users including states, Indian tribes or agencies, and Federal agencies; and provide outreach services to the Indian community.

In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the

Privacy Act, all or a portion of the records or information contained in this system may be disclosed outside DOI as a routine use pursuant to 5 U.S.C. 552a(b)(3) as follows:

(1) (a) To any of the following entities or individuals, when the circumstances set forth in paragraph (b) are met:

(i) The U.S. Department of Justice (DOJ);

(ii) A court or an adjudicative or other administrative body;

(iii) A party in litigation before a court or an adjudicative or other administrative body; or

(iv) Any DOI employee acting in his or her individual capacity if DOI or DOJ has agreed to represent that employee or pay for private representation of the employee;

(b) When:

(i) One of the following is a party to the proceeding or has an interest in the proceeding:

(A) DOI or any component of DOI;

(B) Any other Federal agency appearing before the U.S. Department of the Interior's Office of Hearings and Appeals;

(C) Any DOI employee acting in his or her official capacity;

(D) Any DOI employee acting in his or her individual capacity if DOI or DOJ has agreed to represent that employee or pay for private representation of the employee;

(E) The United States, when DOJ determines that DOI is likely to be affected by the proceeding; and

(ii) DOI deems the disclosure to be:

(A) Relevant and necessary to the proceeding; and

(B) Compatible with the purpose for which the records were compiled.

(2) To a congressional office in response to a written inquiry that an individual covered by the system, or the heir of such individual if the covered individual is deceased, has made to the office.

(3) To any criminal, civil, or regulatory law enforcement authority (whether Federal, state, local, tribal or foreign) when a record, either alone or in conjunction with other information, indicates a violation or potential violation of law – criminal, civil, or regulatory in nature, and the disclosure is compatible with the purpose for which the records were compiled.

(4) To an official of another Federal agency to provide information needed in the performance of official duties related to reconciling or reconstructing data files or to enable that agency to respond to an inquiry by the individual to whom the record pertains.

(5) To Federal, state, local, tribal, or foreign agencies that have requested information relevant or necessary to the hiring, firing or retention of an employee or contractor, or the issuance of a security clearance, license, contract, grant or other benefit, when the disclosure is compatible with the purpose for which the records were compiled.

(6) To representatives of the National Archives and Records Administration (NARA) to conduct records management inspections under the authority of 44 U.S.C. 2904 and 2906.

(7) To state, territorial and local governments and tribal organizations to provide information needed in response to court order and/or discovery purposes related to litigation, when the disclosure is compatible with the purpose for which the records were compiled.

(8) To an expert, consultant, or contractor (including employees of the contractor) of DOI that performs services requiring access to these records on DOI's behalf to carry out the purposes of the system.

(9) To appropriate agencies, entities, and persons when:

(a) It is suspected or confirmed that the security or confidentiality of information in the system of records has been compromised; and

(b) DOI has determined that as a result of the suspected or confirmed compromise there is a risk of harm to economic or property interest, identity theft or fraud, or harm to the security or integrity of this system or other systems or programs (whether maintained by DOI or another agency or entity) that rely upon the compromised information; and

(c) The disclosure is made to such agencies, entities and persons who are reasonably necessary to assist in connection with DOI's efforts to respond to the suspected or confirmed compromise and prevent, minimize, or remedy such harm.

(10) To the Office of Management and Budget (OMB) during the coordination and clearance process in connection with legislative affairs as mandated by OMB Circular A-19.

(11) To the Department of the Treasury to recover debts owed to the United States.

(12) To the news media and the public, with the approval of the Public Affairs Officer in consultation with counsel and the Senior Agency Official for Privacy, where there exists a legitimate public interest in the disclosure of the information, except to the extent it is determined that release of the specific information in the context of a particular case would constitute an unwarranted invasion of personal privacy.

(13) To other Federal agencies for the purpose of submitting reports, data and information related to the production of minerals such as oil, gas and solids associated with the management of revenues.

DISCLOSURE TO CONSUMER REPORTING AGENCIES:

Pursuant to 5 U.S.C. 552a(b)(12), disclosures may be made to a consumer reporting agency as defined in the Fair Credit Reporting Act (15 U.S.C. 1681a(f)) or the Federal Claims Collection Act of 1996 (31 U.S.C. 3701(a)(3)).

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Records are maintained in paper form in file folders stored in file cabinets, and electronic media such as computers, magnetic disk, diskette, compact discs and computer tapes. The electronic records are maintained in removable drives, computer servers, email and electronic databases.

RETRIEVABILITY:

Customer records are retrieved by name or customer identification number, owner name, or owner identification number; land information is retrieved by location and whether or not the lease is an Indian lease or a Federal onshore or offshore lease. Records are indexed by lease or contract number; lessee and/or payor; permittee; production reporter; and/or commodity.

SAFEGUARDS:

The records contained in this system are safeguarded in accordance with 43 CFR 2.226 and other applicable security and privacy rules and policies. During normal hours

of operation, paper records are maintained in locked filed cabinets under the control of authorized personnel. Computerized records systems follow the National Institute of Standards and Technology standards as developed to comply with the Privacy Act of 1974, 5 U.S.C. § 552a; Paperwork Reduction Act of 1995, 44 U.S.C. §§ 3501-3521; Federal Information Security Modernization Act of 2014, 44 U.S.C. §§ 3551-3558; and the Federal Information Processing Standards 199: Standards for Security Categorization of Federal Information and Information Systems. Computer servers in which electronic records are stored are located in secured contractor facilities with physical, technical and administrative levels of security to prevent unauthorized access to the DOI network and information assets. Security controls include encryption, firewalls, audit logs, and network system security monitoring.

Electronic data is protected through user identification, passwords, database permissions and software controls. Access to records in the system is limited to authorized personnel who have a need to access the records in the performance of their official duties, and each user's access is restricted to only the functions and data necessary to perform that person's job responsibilities. System administrators and authorized users are trained and required to follow established internal security protocols and must complete all security, privacy, and records management training and sign the DOI Rules of Behavior. A privacy impact assessment was conducted to ensure appropriate controls and safeguards are in place to protect the information within the system.

RETENTION AND DISPOSAL:

Records in this system are maintained under the Minerals Management Service

(MMS) Comprehensive Schedule approved by NARA (NC1-057-84-07), which include both permanent and temporary dispositions. These records are subject to litigation holds and permanent retention. Administrative records and general correspondence files have temporary dispositions and are maintained in accordance their respective records schedules dependent on the specific subject matter or function and retention requirements. Temporary mission files related to mineral resource, lease and royalty management activities are cut off at the close of the fiscal year then transferred to a Federal records center, one year after cutoff, and destroyed 7 years after cutoff. Approved disposition methods include shredding or pulping paper records, and degaussing or erasing electronic records in accordance with 384 Department Manual 1 and NARA guidelines.

SYSTEM MANAGER AND ADDRESS:

MRMSS Program Manager, Information Management Center (IMC), Office of Natural Resources Revenue, U.S. Department of the Interior, P.O. Box 25165, Lakewood, Colorado 80225.

NOTIFICATION PROCEDURES:

An individual requesting notification of the existence of records on himself or herself should send a signed, written inquiry to the System Manager identified above. The request envelope and letter should both be clearly marked "PRIVACY ACT INQUIRY." A request for notification must meet the requirements of 43 CFR 2.235.

RECORDS ACCESS PROCEDURES:

An individual requesting records on himself or herself should send a signed, written inquiry to the System Manager identified above. The signed request should

describe the records sought as specifically as possible. The request envelope and letter should both be clearly marked "PRIVACY ACT REQUEST FOR ACCESS." A request for access must meet the content requirements of 43 CFR 2.238.

CONTESTING RECORDS PROCEDURES:

An individual requesting corrections or the removal of material from his or her records should send a signed, written request to the System Manager identified above. A request for corrections or removal must meet the requirements of 43 CFR 2.246.

RECORD SOURCE CATEGORIES:

Information in the system is obtained directly from lease and permit holders, current and former landowners and lessees, royalty payors and production operators, individuals who have reported rents, royalties, and bonuses from oil or other minerals or gas from producing or nonproducing Federal or Indian leases, current and former Federal employees and contractors, state and local government employees, and Tribal government officials. Information may also be obtained from DOI bureau and office records supporting revenue management and outreach activities including the Bureau of Ocean Energy Management, Bureau of Safety and Environmental Enforcement, Bureau of Land Management, Bureau of Indian Affairs, Office of the Special Trustee for American Indians, other offices or programs providing support or data for this system, and other Federal, state, tribal or local agencies.

EXEMPTIONS CLAIMED FOR THE SYSTEM:

None.

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